

A REVOLUTIONARY MANIFESTO FOR OUR TIMES

Sixto K. Roxas

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PRRM was founded in 1952. Magsaysay danced his way to victory over Elpidio Quirino to the tune of the Magsaysay Mambo that Raul Manglapus had composed. The country was in crisis. The social injustice, corruption bred by import and exchange controls, and aggravated political patronage were horrendous symptoms of a deep malady. The armed communist movement was in full force and close to Manila.

In the 54 years that have passed since then, the country has struggled to free itself from the morass that had bogged down national development. It has fallen far behind the other Southeast Asian countries in the pursuit of neo-classical economic growth. The country's external obligations have risen over 55 fold. The value of the peso has gone from 50 U.S. cents to less than two. Over 3,000 Filipinos now leave the country daily to find opportunities abroad: nurses, doctors, engineers, school teachers placing the future of the new generations in deeper doubt. Environmental destruction is literally killing entire villages and destroying whole towns.

The Leyte and Ultra tragedies a few months ago, elevated in gruesome sharpness the two perennial problems of the country: Poverty and Environmental destruction.

So far are the president and all her men from understanding the real roots of the problem that they are pushing as solutions the very strategy and policies responsible for the disasters: selling off the country's strategic assets such as public utilities and key industries, opening up the countryside to massive foreign mining ventures, removing protective shields and safety nets that would enable Filipino industries to reach maturity and strength, attracting the educated youth to low quality tasks in support of the outsourcing needs of foreign companies, encouraging masses of our people to seek menial tasks everywhere in the world.

To understand the depths of our problems, we must see the Filipino nation as composed of three worlds - three economic and social systems.

Eighty five million people in some 17 million households live in habitats that range from coastal fishing villages, lowland river valleys and alluvial plains, rolling lands to steep mountain ranges, and in sprawling metropolitan centers.

Some 30% of these households are in an economic system more intimately linked with the world trading system than with the rest of the country's hinterland. They are the import-dependent enterprises of Metropolitan Manila, Subic, Clark, Cebu, and Davao, textile mills and food processing plants, the export oriented industries in the export processing zones, the logging and mining companies, plantations and the service establishments that provide power, communications, insurance, banking and other financial and clerical services to these enterprises and their households.

Most of our people, perhaps two-thirds live in the commercializing agrarian societies--the fisherfolk, rice, corn and coconut farmers, the small traders, artisans and service people, land owners and proprietors in the lesser cities.

A small minority are the tribal peoples in small, largely self-sufficient and subsistence communities in the remote islands and highlands of the country.

Combined, these agrarian and tribal settlements encompass some 11 or 12 million families living in some 225 watershed communities.

70% of the Filipinos are in these tribal and agrarian worlds, 30% in the metropolitan enclaves.

Tragically, it is the metropolitan 30% sector that commands the primary attention and is too often taken to represent the totality of the Filipino nation.

National policy has paid less attention to helping the 70% majority of the Filipino people to acquire the technology, the organization, the human and capital resources to make use of their resources in order to raise themselves to higher levels of economic efficiency and improve their living standards.

Instead, growth policy has meant having the metropolitan economy appropriate and acquire control of the land, forests, minerals, marine and fresh water resources of the rural communities encompassing the larger proportion of the nation to serve the needs of urban and foreign export markets and enrich the rich and powerful minority.

In fact the growth strategy of the government and the driving ambitions and acquisitive instincts of the Metropolitan elite systematically transfers assets and control of resources away from the rural sector. The expansion of these enclaves of wealthy and westernized communities has become the very definition of growth and progress.

Realistically, a growth strategy that does not give the highest priority to the needs of the community stakeholders cannot be sustainable--economically, ecologically, socially or politically.

The three-tiered structure of Filipino society has persisted over the six-decade history of this country's existence as an independent Republic. The structure has remained through a wide spectrum of different economic policies, strategies and political systems.

The Constitutional Commission that drafted, after EDSA I, what became the Constitution of 1987 embodied in principles and guidelines what the people were deprived of all through the 14 years of the Marcos dictatorship: authentic democratic freedom and an equitable and sustained development.

Unfortunately, since then, the country's elite and its leadership have dedicated their attention, not to fight the common enemy, poverty, but to pursue the age old goals of Power and Wealth in the Filipino oligarchy's favorite game, politics.

Government policy since 1987 has persistently violated the Constitutional mandate that development should establish a "self-reliant and independent national economy effectively controlled by Filipinos."

Rather than pursuing that objective under the principles and along the path laid out in the EDSA 1987 Constitution however, the government chose to pursue with greater vigor the path prescribed by WTO and the "Washington Consensus" and already followed by past leaders

The development strategy pursued by every Philippine president from the Macapagal parent (1962-65) to the Macapagal daughter (Feb 2002 to June 2006) has followed the conventional wisdom espoused by the Bretton Woods institutions, the industrial countries, the international banks and transnational corporations: liberalization of international trade, opening up of countries to foreign investors, privatization of public corporations, deregulation of public utilities, emphasis on export-oriented industries, priority of public sector investments in infrastructure primarily aimed to facilitate foreign trade, removal of policies that favour nationals over foreigners in ownership of natural resources.

Thus the focus continues to be on Gross Domestic Product or (GDP), an indicator that does not reflect the real incomes received by the majority of the nation's families.

GDP can be growing while large numbers of the nation are starving and when the net

worth or wealth of the nation's families is rapidly dwindling through exhaustion of natural resources and transference of control to foreigners. The government relies on export industries to eradicate poverty. The more complete figures of 1994 show exports contributing a measly 4 centavos out of every peso of income received by the country's families. Is it any wonder that even doctors are downgrading to nurses to be able to work abroad?

Since foreign investors are not interested in going into the medium and small scale local ventures that contribute most to the incomes of the households in the medium and small sized communities in the country, our expectation that foreign investors will relieve our people's poverty proves yet to be another myth.

Regardless of personality, popularity or legitimacy, our country's leadership has constantly used a weapon that, instead of curbing the problem, has even exacerbated it. This has been to create the conditions for private business capitalizing on foreign investments in our country to profit from our resources. The mantra is that what is good for business is good for the general welfare. If business sales are booming, exports are healthy, enterprise profits are fat, all is well with our world.

But somehow, opening up our markets, and giving foreign investors free reign over our resources has not and will not solve poverty or environmental destruction. Our six decades of experience have shown that in the end, no one but ourselves can really track a sustainable development that makes our people the principal beneficiaries.

In the countryside, poverty has persisted and worsened. Migrants continually troop into Manila and Cebu and Davao – the cities made prosperous by the business thrust of the 50's.

People were not considered the beneficiaries of the economy. They were the "problem." Increasingly, the growth in their numbers was considered the main problem of the country. Therefore the ultimate solution was control their rapid multiplication.

Development and modernization have come to mean the substitution of large-scale, often foreign-controlled, enterprise for community as the basic unit of organization in society.

Our age has the advantage of technological development making possible the achievement of all the important economic advantages of scale in non-hierarchical but decentralized and networked organizations.

It is now possible for the communities—the village, the market town and the small cities—to be the primary units of organization, of management, of planning and resource administration, and even accounting. They can now be networked through a participatory, bottom-up decision process that makes democracy a day-to-day process of "administration by the administered" rather than a periodic exercise of a people's prerogative to select the leaders who will be their masters.

The country has not lacked professionally trained economists and other social scientists, organization and management experts. But the repeated failures of diagnosis and prescription seem to demonstrate the inadequacy of the economic, social science and managerial paradigms either to explain our condition or prescribe an effective strategy and protocol of action.

All this leaves us with but one viable alternative—genuine countryside sustainable development. A framework that gives a more appropriate and meaningful indicator for development and where the bottomline is an increase in the income and net worth of communities. This community-centred ecosystem-based alternative demands a fundamental rethinking and re-management of the whole of development management, its instruments, practitioners, and institutions to match the realities of the Philippine condition

with the opportunities and threats of globalization.

The realization of this in practice will put a stop to environmental destruction and address directly the poverty of our people.

The key is in making communities on their territory – their ecosystem—the unit of organization and management and makes the feeding, clothing, housing, health care, education and life enhancement of the local communities the primary objective in the use of local resources.

It establishes in a different community-centred accounting system a philosophy of management that honors the income and net worth of local communities to ensure that their sustainable development governs the priorities of the use of their natural endowment. Sustainable communities make a sustainable country.

It recognizes that we must return our natural resources whole and as productive to our children and their children. This we cannot do if 1) we exhaust them so we can enjoy a luxurious life or 2) sell them to foreigners to pay off our foreign debts.

It remains true to its commitment to the community's welfare by tracking development with an accounting system that honors the integrity of the ecosystem and the preservation and enhancement of the community's net worth, the true measure of its wealth.

The Government makes much of the improved exchange rates between the peso and the U.S. dollar. The peso remains strong in the face of political turmoil? A community-centred analytical perspective would view this as a symptom of a pathological economic structure – a mark of sickness rather than health.

The reason comes out of an analysis that understands the dynamic interaction between the Metropolitan and the Agrarian worlds that make up the Philippine economy.

The continuous appropriation of agrarian resources by the metropolitan economy, diminishes the capacity of the rural economy to sustain the 70% of the population that rely on those resources. Large numbers of the young population of this sector are forced to migrate to the metropolitan centres. But the out-ward orientation of these centres fail to provide enough livelihood opportunities to support those migrants. They are compelled to seek jobs in those countries where the demand for high-tech persons has made the more menial tasks unattractive—the “care-giving” and housekeeping jobs.

The combined trends produce a paradox: the peso is strong because the local economy is weak and weakening.

The demand for foreign exchange is largely for intermediate products going into exports, and the luxury consumption of the elite. That has grown more slowly than the supply of foreign exchange from overseas workers' remittances. Hence the strength in the peso-dollar exchange rate. The weak local economy has resulted in a strong peso.

The Administration should claim credit for both cause and effect.

If the administration continues its policy and strategy, we can expect an escalation of events like the landslides in Quezon, Aurora, Leyte and the “Wowowee” tragedy in the future.

In the 1987 Constitution we already have the mandate for an opposite development strategy. It calls explicitly for local governments to exercise local autonomy with the goal of making local communities economically self-reliant.

Let us indeed defend the Constitution of 1987 and honor it by observance rather than by its systematic violation and the eventual junking of the basic principles and directions around which the people wrapped their dreams after they had toppled the Marcos

dictatorship.

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